

## **FACT SHEET**

### **SPLIT ESTATE**

#### **Federal Oil & Gas Resources Privately Owned Surface Lands**

In split estate situations, the surface rights and subsurface rights for a piece of land (such as the right to extract or develop minerals) are owned by different parties and are said to have been severed.

In many cases where the surface is privately owned and subsurface minerals are Federally owned, rights were severed under one of the Nation's homesteading laws.

When the minerals in question are natural gas or oil, the homesteading law involved is usually the Stock Raising Homestead Act of 1916. The federal laws and regulations that apply to particular cases of split estate vary according to the mineral involved (oil, natural gas, coal) and to the statute under which the surface entered into private ownership.

A number of these homesteading laws also specify the kinds of damages surface owners are entitled to be compensated for when minerals are developed.

The BLM leases rights to Federal minerals through competitive bidding. A successful bid gives the lessee (or a designated operator) the right to enter upon and disturb as much of the surface as is reasonably necessary to remove the leased minerals.

The BLM currently offers the same level of surface resource and environmental protection to private surface owners that it provides when the surface is Federally owned. All BLM oil and gas leases – whether the surface involved is in Federal ownership or not – are issued with terms, conditions and stipulations that protect a broad range of surface values.

Leases and drilling permits also include requirements for mitigation and reclamation of the surface. Current BLM policy requires the use of environmental Best Management Practices (BMPs) to encourage appropriate mitigation and interim and final reclamation to minimize surface impacts.

The BLM conducts inspections of oil and gas operations to ensure compliance with the terms and conditions of the lease and approved permit, and takes action necessary to enforce those terms.

Current outreach and consultation with private surface owners, the oil and gas industry, and other interested parties are part of the BLM's implementation of the Energy Policy Act of 2005.

Under Section 1835 of the Act, the BLM is reviewing current policies and practices for managing Federal natural gas and oil development and their effects on privately owned surface.

The BLM manages 700 million acres of subsurface mineral estate, about 58 million acres of which underlie non-Federal surface. A portion of these 58 million acres involve Federal natural gas and oil resources.